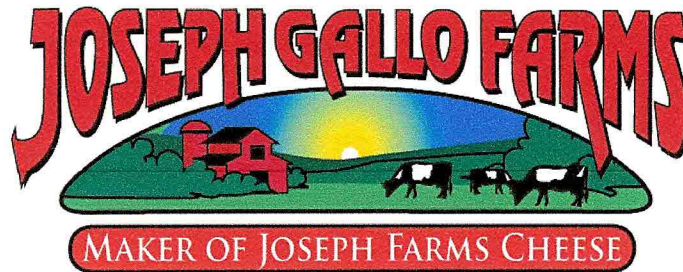


10561 West Highway 140
P.O. Box 775
Atwater, CA 95301-0775



Telephone 209-394-7984
Fax 209-394-4988
www.josephfarms.com

October 30, 2015

California Air Resources Board
Short-Lived Climate Pollution Reduction Strategy
1001 "I" Street
Sacramento, CA 95814

Dear ARB Program Staff:

We appreciate the opportunity to submit comments on the draft Short-Lived Climate Pollution Reduction Strategy (SLCPRS). As one of the California's leaders in sustainable dairy farming and onsite renewable energy for cheese production. We support the goals of the Short-Lived Climate Pollution Reduction Strategy and applaud its objectives to significantly reduce methane emissions and increase the adoption of methane reducing technologies in California.

Joseph Gallo Farms is a pioneer in sustainable farming practices in California. Our farm currently operates one of the first successful large-scale biogas digesters in California – capable of generating up to 1.6 megawatts of electricity every year. Additionally, waste heat is captured and used to produce steam that fuels the boilers for our cheese production facility. Through this process we generate up to 75% of the electricity needed for cheese production and packaging. The Farm has received many prestigious environmental awards for its efforts, including the CalEPA's Waste Reduction Awards Program Award in 2009, 2010, and 2011 for improving the environment by reducing waste, as well as the 2012 Governor's Environmental and Economic Leadership Award (GEELA), which is California's highest environmental honor.

Building upon the experience of operating one of the longest producing successful digesters in California, we support ARB staff recommendations focused on utilizing incentives, capital cost investment, and permitting strategies to help accelerate the deployment and expansion of dairy digesters throughout California.

Many of the greatest hurdles and barriers to statewide deployment of dairy digesters are industry inertia and cost of new technologies. State support and reinforcement will help create the strong spark needed to overcome the upfront costs and risk aversion, which will accelerate the deployment of innovative methane reducing technologies. We support ARB staff recommendations of investing \$500 million over five years, \$100

October 30, 2015

Page Two

million annually, in the form of grants and loans to help increase the adoption and distribution of anaerobic digesters in California.

We respectfully request that the funding include eligibility to expand capacity and energy generation for existing digester operations, as well as new dairy digesters. Specifically, please consider refining the eligibility requirements to allow cost-effective investments to optimize existing digesters to increase capacity and/or include supplemental feedstock material.

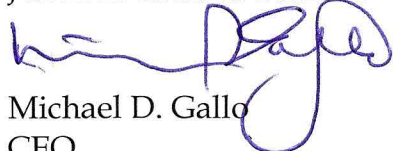
Feed-in tariffs and corresponding incentives, including Cap and Trade, are also important to help overcome barriers and deploy methane reducing technologies and renewable energy projects. As demonstrated in the VermontSPEED feed-in-tariff program, incentivizing utilities to include increasing amounts of renewable energy in their power supply portfolios and offering higher rates guaranteed through a long term contract has accelerated the deployment of methane reducing technologies - including dairy digesters. We support ARB staff recommendation to identify feed-in tariff opportunities and expand credits under Cap and Trade and the Low Carbon Fuel Standard to help further foster markets to ensure it provides incentives to accelerate deployment of dairy digesters throughout California.

The permitting process can also be a barrier to deployment and expansion of dairy digesters. We appreciate ARB's efforts to review the permitting process to help simplify the interconnection procedures and contracts, as well as create working groups and workshops to identify key issues to help streamline the process.

We thank you for the opportunity to submit comments on the Short-Lived Climate Pollution Reduction Strategy and appreciate the state's support to help accelerate the deployment of dairy digester technologies to meet California's leading environmental goals.

Sincerely,

JOSEPH GALLO FARMS



Michael D. Gallo
CEO

MDG/db